

# **HB 870-TRPM-Towing-Secured Parties-Electronic Lien**

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Position: FAV



## Towing & Recovery Professionals of Maryland

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### MEMORANDUM

TO: The Honorable Kumar P. Barve, Chair and Members of the Environment and Transportation Committee

FROM: Jeffrey O. Hurley, Sr, President, Towing & Recovery Professionals of Maryland  
Ted Dent, 1<sup>st</sup> Vice President, Towing & Recovery Professionals of Maryland

DATE: February 24, 2022

RE: **HB 870 Vehicle Towing or Removal – Secured Parties – Electronic Notification**

POSITION: **SUPPORT**

The Towing Recovery Professionals of Maryland (TRPM) SUPPORT HB 870. This bill would provide for the electronic notification of secured parties/lien holders with vehicle information that is required in statute when a vehicle is towed from a parking lot.

Under current law, when a vehicle is towed from a parking lot, the towing company is required to notify the owner, any secured party, and the insurer of record by certified mail, return receipt requested, and first-class mail within 7 days. This process is followed to provide proper notification to all parties to reclaim the vehicle. Should the owner/secured party/insurance company not claim the vehicle, the owner/secured party/insurance company is then agreeing to relinquish any rights to the vehicle which would allow the towing company to seek a CS-78 from a law enforcement agency to transfer the vehicle to a licensed automotive & dismantler recycler. HB 870 streamlines this notification process just for the secured party/lien holders to resolve these matters more quickly.

Most transactions these days can be managed electronically, from the purchasing of a home, securing a loan, and submitting applications. Providing for electronic notification of secured parties, saves money on behalf of the tower and will resolve matters more quickly should a vehicle owner not contact a tower to reclaim the vehicle

TRPM has discussed this legislation with the Maryland Bankers Association, and they have agreed with the language in the bill and have no concerns. The towing company would only be able to contact the secured party electronically if that form of notification is agreed to by the tower and the secured party in writing or by electronic communication.

For these reasons, TRPM SUPPORTS HB 870 and urges a FAVORABLE Committee report.